

11 August 2022

s9(2)(a)



Thank you for your email dated 11 July 2022 requesting information under the Official Information Act 1992 (the Act). I will answer each of your questions in turn.

- 1. How much did your organisation spend on advertising, public relations campaigns, and publications in total between 1 July 2021 and 30 June 2022?*

Kāinga Ora – Homes and Communities has spent a total of \$557,881 (excluding GST) for the financial year ending 30 June 2022 on general media advertising. This figure includes campaign advertising for First Home products and information on large scale development projects, as well as social media. A further \$646,225 was spent on publications.

A primary role of Kāinga Ora is as an urban developer, and it manages many medium to large-scale projects across the Auckland and Wellington regions. As the lead developer of its large-scale projects, Kāinga Ora has a responsibility to ensure not only world-class planning and development, but also to support the successful sales of thousands of homes – both affordable and market homes.

Attracting quality builder partners and achieving an acceptable return on investment for new housing is vital to successful large-scale developments, and advertising and sales support is a key commercial aspect to delivering projects of this nature. Kāinga Ora has developed a highly efficient, low cost framework for achieving the necessary advertising and sales support.

Kāinga Ora developers contribute toward the costs for advertising, with the result that the spend-to-sale ratio is well below the industry standard, at less than 0.01 percent. Since 2012, sales have equated to nearly 3,500 homes sold with a conservative estimated value of \$2.5 billion.

- 2. How many FTE staff in total were employed by your organisation as at 30 June 2022?*

As at 30 June 2022, Kāinga Ora had 3130.87 permanent and fixed term staff.

- 3. What was the total staff headcount for your organisation as at 30 June 2022?*

As at 30 June 2022, Kāinga Ora had 3172 permanent and fixed term staff only.

- 4. What percentage of FTE staff in your organisation were earning a salary of \$100,000 or more as at 30 June 2022?*

As at 30 June 2022, 54.5 percent of FTE staff were earning a salary of \$100,000 or more.

Kāinga Ora has taken on new roles and tasks in response to changing Government priorities for housing and urban development. This has required us to increase capacity and capability to initiate and deliver the necessary customer, build and urban development programmes.

Because many of our pay rates were previously below the market rate for comparable roles, it has been challenging to attract suitably skilled people who are in demand across the private and public sectors to help us deliver on these new and expanded roles.

Other than its lowest rate, there had been no increase in pay rates for Kāinga Ora people for up to three years prior to an adjustment in 2022. Kāinga Ora pays one rate for each role, which means that we do not have a mechanism to shift rates within salary bands.

While Kāinga Ora people costs are increasing, it is not at the same rate as the massive uplift in delivery. Its cash spend can be considered an indicator of its activity (before interest and tax payments) – and the percentage of people costs relative to cash spend has been falling from 7.4% in 2017 to 4.7% in 2022.

5. *How many FTE staff were employed by your organisation for the COVID-19 Response as at 30 June 2022, if any, and how many of these roles are permanent?*

As at 30 June 2022, there was one FTE employed to manage the COVID-19 response. This is a fixed-term position, which was supported by others across the organisation, including the Safety, Support and Wellbeing and People teams, Technology and our people in frontline roles who contributed to the effort alongside their regular jobs.

6. *How many square meters of owned and leased office space did your organisation have as at 30 June 2022, and how did this compare to the previous five years?*

As at 30 June 2022, Kāinga Ora is leasing 32,437sqm. Kāinga Ora was formed on 1 October 2019. Previous information on owned and leased office space since that date, is publicly available in Annual Review responses at:

https://www.parliament.nz/resource/mi-NZ/53SCSS_EVI_116593_SS2994/78b4c193b155514508b11798a2c3ffb5564a660

I am therefore refusing this part of your request under section 18(d) as this information is publicly available.

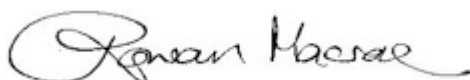
7. *What was the attrition rate/unplanned turnover rate for your organisation for the 12 months ending 30 June 2022?*

The staff turnover rate was 8.3 percent for the year ending 30 June 2022.

Under section 28 of the Act you have the right to seek an investigation and review by the Ombudsman of this response. Contact details for the Ombudsman can be found at www.ombudsman.parliament.nz.

Please note that Kāinga Ora proactively releases our responses to official information requests where possible. Our response to your request may be published at <https://kaingaora.govt.nz/publications/official-information-requests> with your personal information removed.

Yours sincerely



Rowan Macrae
General Manager People Governance and Capability